

## SECTION II

## COMMENTS (From Original Addressee)

TO : LEGISLATIVE COUNSEL  
OFFICE OF GENERAL COUNSEL

FROM:

Approved For Release 2001/08/24 : CIA-RDP59-00224A000100010006-8

**OGC HAS REVIEWED**  
**Matters are to commence on 4 June.**

1. We understand comments on the technical accounting aspects of the bill have been submitted by Mr. Sawyers.

2. Our comments are as follows:

a. The objections to the predecessor bill (S.3109) included in our comments of 2 March 1956, namely, that the bill, if enacted, might make it difficult for the Director to discharge his responsibilities to protect intelligence sources and methods from unauthorized disclosure in general are not applicable to the new Bill. The proposed amendment to the Budget and Accounting Procedures Act of 1950 (Section 2 of the bill) requires consultation with the Bureau of the Budget and compliance with Comptroller General procedures, but this should occasion no conflict with the Director's special responsibility.

b. It would seem that conversion to the annual accrued expenditure basis might cause considerable difficulty in planning and in operations generally. This might be particularly difficult in the case of CIA since the cost of many activities are not susceptible of estimate. However, the Agency doubtless could handle confidential funds without regard to the bill.

c. With respect to the proposed amendments to the Budget and Accounting Act of 1921, contained in Section 1 of the bill two exceptions or areas of exemption are provided in the proposed Sections 201(b) and (c) of the Act: proposed appropriations shall be determined on an annual approved expenditure basis "to the maximum extent deemed desirable and practicable by the President" and the conversion to the use of annual accrued expenditures for stating proposed appropriations "shall be accomplished in such manner and at such times as may be determined by the President."

3. We would not think the bill would warrant an effort to obtain any exemption or exception for CIA.

DATE OF COMMENTS

6 June

Approved For

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EXTENSION

STATINTL